

Securities Trading Policy

1. Introduction

1.1 Objectives

The objectives of this Policy are to:

- (a) Minimise the risk of directors and employees of the Company contravening the laws against insider trading;
- (b) Seek to ensure that directors and employees of the Company and its subsidiaries adhere to high ethical and legal standards in relation to their dealings in Company securities;
- (c) Reduce the likelihood that dealings of directors and employees of the Company and its subsidiaries may, or may be perceived to, conflict with the interests of the Company and other shareholders.

1.2 Definitions

For the purposes of this Policy:

- (a) **“Company securities”** includes shares, debentures (including convertible notes) and options issued by the Company, as well as derivatives and any other financial products with respect to the Company or its securities, whether or not able to be traded on ASX or another stock exchange, and whether or not such securities are created by the Company or issued or created by third parties;
- (b) **“Deal”** in Company securities means to apply for, acquire or dispose of Company securities, or enter into an agreement to do any of those things;
- (c) “Procure” another person to deal in Company securities includes inciting, inducing or encouraging a person to deal or not deal in Company securities; and
- (d) “Senior executives” means all CYC executives employed.

2. Dealing in securities - Outline of the insider trading prohibition

2.1 **Prohibited conduct**

If a director or employee possesses “inside information” in relation to the Company, the person must not:

- (a) Deal in Company securities; or
- (b) Communicating the information to others who might deal in Company securities; or
- (c) Directly or indirectly communicate the information, or cause the information to be communicated, to another person if the person knows, or ought reasonably to know, that the other person would, or would be likely to, deal in Company securities in any way or procure a third person to deal in the Company securities.

Importantly, given the broad definition of “procure” (see paragraph 1.2(c) above), a director or employee who acquires Company securities through a trust or company while in possession of “inside information” may contravene these insider trading provisions and this Policy.

2.2 **When a person possesses “inside information”**

A director or employee possesses “inside information” in relation to the Company where:

- (a) The person possesses information that is not generally available and, if made public, would likely to have a material impact on the price or value of Company securities; and
- (b) The person knows, or ought reasonably to know, that the information is not generally available and, if it were generally available, would likely to have a material impact on the price or value of Company securities.

Directors and employees must assume that information is generally available only if it has been announced to ASX and a reasonable time has elapsed.

A reasonable person would be taken to expect information to have a material effect on the price or value of Company securities if (and only if) the information would, or would be likely to, influence persons who commonly acquire securities in deciding whether or not to acquire or dispose of Company securities.

3. Policy

3.1 **General principles**

The following are the general principles regarding trading by Directors and employees of the Company and its subsidiaries of Company securities:

- (a) Directors and employees who possess “inside information” must not deal or procure dealing in Company securities.
- (b) Directors and employees must avoid, and be seen to avoid, actual or potential conflict between their personal interest and the interests of the Company and other shareholders.

3.2 **Blackout periods**

Directors and employees must not deal in, or procure dealing, in Company securities during the following blackout periods:

- a) The period from year end (31 December) and preliminary announcement of the full year results (usually 1 February to end February);
- b) The period from half year end (30 June) and preliminary announcement of the half year results (usually 1 August to end August);
- c) The period five working days prior to an Annual General Meeting;
- d) Directors and employees should wait at a full day of trading after the relevant release of any price sensitive announcement so that the market has had the time to absorb the information before any dealing in shares; and
- e) Any other periods advised to employees by the Board (via the Company Secretary).

However, even if a blackout period is not operating, a director or employee must not deal, or procure dealing, in Company securities or Associated Products if the person is in possession of any “inside information”.

3.3 **Directors and senior executives**

Directors and senior executives must provide confirmation to the Company Secretary within three business days after the dealing of shares has occurred.

3.4 **Requests to trade during a blackout period**

If a director or employee wishes to deal with Company securities during a blackout period, permission needs to be sought from the Chairman and the Managing Director (or in either’s absence another director in his or her place)

The Chairman and Managing Director will generally direct a director or employee not to deal in Company securities during any blackout periods, unless special circumstances exist. Examples of special circumstances are:

- (i) Financial hardship; and
- (ii) As instructed by Court order.

3.5 **Exercise of options, participation in dividend reinvestment plans etc**

Further, subject to the insider trading provisions of the Corporations Act, directors and employees may at any time:

- (a) Subscribe for securities offered under a disclosure document (e.g. a prospectus);
- (b) Acquire the Company’s ordinary shares by conversion of securities giving a right of conversion to ordinary shares (e.g. options) - but may not deal with any of the shares received upon conversion of the securities other than in accordance with this Policy and the insider trading provisions;
- (c) Acquire Company securities under a bonus issue made to all holders of securities of the same class;
- (d) Acquire Company securities under a share purchase plan made to all holders of securities of the same class; and
- (e) Acquire Company securities under a dividend reinvestment plan that is available to all holders of securities of the same class.

3.6 **Employee share plans**

As a consequence of a specific exemption from the insider trading provisions, directors and employees may at any time:

- (a) Apply for or acquire Company securities under an employee share plan; or
- (b) Exercise options acquired under an employee share plan to acquire the Company’s ordinary shares - but may not sell any of the shares received upon exercise of the options other than in accordance with this Policy and the insider trading provisions.

3. Reporting Procedures

- 3.1 Every person who has an honest belief on reasonable grounds, knowledge or is aware of any Unacceptable Conduct within the Company should report the conduct to one or more of the following:
- (a) Immediate supervisor or manager
 - (b) Relevant heads of department or country manager
 - (c) Group Company Secretary or Managing Director
 - (d) Group external auditors
 - (e) Chair of Board of Directors
 - (f) Australian Securities and Investments Commission (ASIC) or Australian Prudential Regulation Authority (APRA),
or
 - (g) Your lawyer.
- 3.2 Personnel may skip or bypass any person in the chain outlined above, if that person is a subject of the report and/ or if one has reason or suspicion to believe that the person is unlikely to deal with the reportable conduct appropriately.
- 3.3 Where the Unacceptable Conduct may have an immediate threat to the health, safety or wellbeing of any person, the police and other regulatory authorities should be notified immediately. Under certain circumstances, whistleblower protection may also apply if a report is made to a journalist or member of the Commonwealth Parliament or state/ territory parliament for matters of public interests or emergencies. Professional legal advice however should be sought by the respective Personnel who wishes to make a report under such situation.
- 3.4 All reports shall be treated as confidential and may be considered “protected disclosure”, to the extent practical under the circumstances. Anonymous reports are acceptable, however this may hamper or affect the ability to investigate the reportable conduct properly and timely and, to communicate the results of the investigation to the relevant Personnel.
- 3.5 Nothing in this Policy should be construed as restricting any Personnel from reporting any matter or providing any information to any relevant authorities or regulator such as TGA, ASX, ASIC, the State or Federal police etc. in accordance with any relevant legislation, law, regulation and/ or other regulations.

4. Investigations

- 4.1 All reports received shall be investigated depending on the precise nature of the Unacceptable Conduct and, will vary according to the nature of the conduct.
- 4.2 The purpose of the investigation is to determine whether or not the Unacceptable Conduct are substantiated, with the view of rectifying the wrongdoing to the extent practicable.
- 4.3 An investigation officer shall be appointed by the Board of Directors where appropriate or where it is deemed inappropriate, an external professional person may be appointed to conduct a preliminary investigation (i.e. the investigation officer)

5. Further Information

The Board will review this Policy from time to time as legislative requirements change and best practice for securities trading evolves. The Company Secretary will communicate any amendments to directors and employees.